established under the provisions of Insurance Act, 1938 and which functions under the direct charge of Inusrance Regulatory and Development Authority (IRDA). In view of the highly adverse claim experience of the motor portfolio, the TAC had revised the Motor Tariff *w.e.f.* 1.7.2002 based on the recommendations of the Ansari Committee which was constituted by the IRDA with representatives of the transporters, consumers, Insurance Companies etc. However, to protect the interest of the disciplined motor vehicles users, No Claim Bonus (NCB) in the modified form will continue in the new Tariff.

Since motor insurance is underwritten as per Tariff, there is absolute uniformity in underwriting this business between all insurers underwriting general insurance in India.

Floating of IPO by Indraprastha Gas Ltd.

705. SHRI RAJKUMAR DHOOT: Will the Minister of FINANCE AND COMPANY AFFAIRS be pleased to state:

(a) whether it is a fact that Indraprastha Gas Ltd. is being allowed to fload on IPO with a Rs. 150 crore issue which is more than its current equity base of Rs. 140 crore;

(b) if so, details thereof and the reasons for allowing first utility company to float IPO;

(c) whether it will have any impact on disinvestments in BPCL which has equity participation in IGL;and

(d) if so, the details thereof?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE AND COMPANY AFFAIRS (SHRI ANANDRAO VITHOBA ADSUL): (a) to (d) SEBI has informed that M/s Indraprastha Gas Ltd. has not filed any draft offer document with SEBI till date, for making an initial public offering.

Steps to improve foreign investment

706. SHRI R.R GOENKA: Will the Minister of FINANCE AND COMPANY AFFAIRS be pleased to state:

(a) whether Government have taken note of the American Chamber of Commerce Gallup Business Outlook Survey 2002 which brings out that India is losing out as an investment destination;

(b) whether Government have made a study about the factors that attract foreign investment; and

(c) what steps are envisaged to improve the climate for foreign investment to reach the stipulated target of $ 10 billion a year?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE AND COMPANY AFFAIRS (SHRI ANANDRAO VITHOBA ADSUL): (a) Yes, Sir. The AMCHAM INDIA-GALLUP Business Outlook Survey 2002 has indicated that there seems to be *status quoon* future US investments in India because of better investment climate in competing investment destinations.

However, the World Investment Report 2002 published by the UNCTAD, identifies India as one of four countries in developing Asia, which are expected to witness increased FDI inflows.

(b) A Steering Committee on Foreign Direct Investment (FDI), was constituted by the Planning Commission in the context of the Tenth Five Year Plan which has, *inter alia,* recommended raising/removal of FDI caps in certain sectors, strengthening of institutional framework for investment promotion and simplification of entry/exit norms and procedures.

(c) Government has put in place a liberal FDI policy to attract investment and most of the sectors have been put under the automatic route except for a small negative list. Delays in realising FDI occur mainly due to implementation problems at the State level. An inter-ministerial Committee set up to look into the simplification of investment procedures has recommended an empowered State level single window system to accord approvals.

Outcome of Pravasi Bhartiya Divas Meet

707. SHRI RAJKUMAR DHOOT: Will the Minister of FINANCE AND COMPANY AFFAIRS be pleased to state:

(a) whether it is a fact that Government failed to get active and committed support of NRIs for the economic development of India during Pravasi Bhartiya Divas Meet in January, 2003;

(b) if so, the reasons therefor; and